

TENNESSEE HOUSING DEVELOPMENT AGENCY
OTHER SUPPLEMENTARY INFORMATION
SUPPLEMENTARY STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 1999, AND JUNE 30, 1998
(Expressed in Thousands)

| | 1999 | | | | | 1998 | | | | |
|--|--------------------|--------------------------------|--|---------------------------------------|------------|--------------------|--------------------------------|--|---------------------------------------|-------------|
| | Operating Group | Mortgage Finance Program | Home- ownership Program Bonds | Single Family Mortgage Notes | Totals | Operating Group | Mortgage Finance Program | Home- ownership Program Bonds | Single Family Mortgage Notes | Totals |
| Cash flows from operating activities: | | | | | | | | | | |
| Operating income (loss) | \$ (98) | \$ 3,624 | \$ 5,561 | \$ (97) | \$ 8,990 | \$ 3,859 | \$ 11,791 | \$ 32,301 | \$ 66 | \$ 48,017 |
| Adjustments to reconcile operating income to net cash provided (used) by operating activities: | | | | | | | | | | |
| Depreciation and amortization | 74 | (16) | 11 | - | 69 | 79 | 39 | 58 | - | 176 |
| Changes in assets and liabilities: | | | | | | | | | | |
| (Increase) decrease in accounts receivable | (190) | (1,246) | (2,104) | - | (3,540) | (91) | (2,261) | (2,085) | - | (4,437) |
| (Increase) decrease in interest receivable | 4 | 160 | 553 | - | 717 | 3 | 195 | 807 | - | 1,005 |
| (Increase) decrease in first mortgage loans receivable | 569 | 30,813 | (64,049) | - | (32,667) | 527 | 44,224 | 2,546 | - | 47,297 |
| (Increase) decrease in due from federal government | - | - | - | - | - | 108 | - | - | - | 108 |
| (Increase) decrease in deferred charges | (6) | - | (103) | - | (109) | 5 | - | - | - | 5 |
| (Increase) decrease in other receivables | - | - | 2 | - | 2 | - | - | 1 | - | 1 |
| (Increase) decrease in interfund receivables | - | (61) | (1) | - | (62) | 214 | - | - | - | 214 |
| Increase (decrease) in interfund payables | 62 | - | - | - | 62 | - | (214) | - | - | (214) |
| Increase (decrease) in warrants payable | 89 | - | - | - | 89 | (598) | - | - | - | (598) |
| Increase (decrease) in accounts payable | (329) | 672 | 1,762 | - | 2,105 | 436 | 694 | (414) | - | 716 |
| Increase (decrease) in due to primary government | (455) | - | - | - | (455) | (35) | - | - | - | (35) |
| Increase (decrease) in deferred revenue | 206 | 97 | (97) | - | 206 | 492 | - | - | - | 492 |
| Investment income included as operating revenue | (2,802) | (7,390) | (15,770) | (1,654) | (27,616) | (7,100) | (14,953) | (43,906) | (1,324) | (67,283) |
| Interest expense included as operating expense | - | 33,792 | 64,412 | 1,715 | 99,919 | - | 35,549 | 69,266 | 1,190 | 106,005 |
| Total adjustments | (2,778) | 56,821 | (15,384) | 61 | 38,720 | (5,960) | 63,273 | 26,273 | (134) | 83,452 |
| Net cash provided (used) by operating activities | (2,876) | 60,445 | (9,823) | (36) | 47,710 | (2,101) | 75,064 | 58,574 | (68) | 131,469 |
| Cash flows from non-capital financing activities: | | | | | | | | | | |
| Operating grants received | 39,208 | - | - | - | 39,208 | 42,728 | - | - | - | 42,728 |
| Operating transfers in (out) | 191 | 19,442 | (19,666) | 33 | - | 200 | (268) | - | 68 | - |
| Operating transfer to primary government | - | - | - | - | - | (43,000) | - | - | - | (43,000) |
| Taxes received | 18,585 | - | - | - | 18,585 | 16,277 | - | - | - | 16,277 |
| Negative cash balance implicitly financed | - | - | 7,843 | - | 7,843 | - | - | 903 | - | 903 |
| Proceeds from sale of bonds | - | - | 313,407 | - | 313,407 | - | - | 304,547 | - | 304,547 |
| Proceeds from issuance of notes | - | - | - | 82,480 | 82,480 | - | - | - | 47,755 | 47,755 |
| Operating grants paid | (46,793) | - | (4,013) | - | (50,806) | (50,343) | - | - | - | (50,343) |
| Cost of issuance paid | - | - | (385) | (31) | (416) | - | - | (481) | (68) | (549) |
| Principal payments | - | (29,640) | (319,994) | (65,000) | (414,634) | - | (25,660) | (346,190) | - | (371,850) |
| Interest paid | - | (34,483) | (59,026) | (1,675) | (95,184) | - | (36,158) | (71,366) | (967) | (108,491) |
| Net cash provided (used) by non-capital financing activities | 11,191 | (44,681) | (81,834) | 15,807 | (99,517) | (34,138) | (62,086) | (112,587) | 46,788 | (162,023) |
| Cash flows from capital and related financing activities: | | | | | | | | | | |
| Acquisition of fixed assets | (24) | - | - | - | (24) | (109) | - | - | - | (109) |
| Net cash used by capital and related financing activities | (24) | - | - | - | (24) | (109) | - | - | - | (109) |
| Cash flows from investing activities: | | | | | | | | | | |
| Proceeds from sales and maturities of investments | 7,800 | 246,482 | 570,030 | - | 824,312 | 30,683 | 243,920 | 865,301 | - | 1,139,904 |
| Purchases of investments | - | (268,710) | (491,920) | - | (760,630) | - | (254,802) | (872,453) | - | (1,127,255) |
| Investment interest received | 3,994 | 12,083 | 21,030 | 1,827 | 38,934 | 6,212 | 10,966 | 29,980 | 1,151 | 48,309 |
| Net cash provided (used) by investing activities | 11,794 | (10,145) | 99,140 | 1,827 | 102,616 | 36,895 | 84 | 22,828 | 1,151 | 60,958 |
| Net Increase (decrease) in cash and cash equivalents | 20,085 | 5,619 | 7,483 | 17,598 | 50,785 | 547 | 13,062 | (31,185) | 47,871 | 30,295 |
| Cash and cash equivalents, July 1 | 33,845 | 42,326 | 88,336 | 47,871 | 212,378 | 33,298 | 29,264 | 119,521 | - | 182,083 |
| Cash and cash equivalents, June 30 | \$ 53,930 | \$ 47,945 | \$ 95,819 | \$ 65,469 | \$ 263,163 | \$ 33,845 | \$ 42,326 | \$ 88,336 | \$ 47,871 | \$ 212,378 |
| Noncash investing, capital, and financing activities: | | | | | | | | | | |
| Disposition of fixed assets | \$ 96 | \$ - | \$ - | \$ - | \$ 96 | \$ 39 | \$ - | \$ - | \$ - | \$ 39 |
| Accretion of deep discount bonds | - | - | 6,693 | - | 6,693 | - | - | 5,365 | - | 5,365 |
| Total noncash investing, capital, and financing activities | \$ 96 | \$ - | \$ 6,693 | \$ - | \$ 6,789 | \$ 39 | \$ - | \$ 5,365 | \$ - | \$ 5,404 |